

United States Policy in East Asia and the Pacific
Challenges and Priorities

Testimony before the
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House Committee on International Relations

by

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Mr. Chairman, thank you. I appreciate the opportunity you have offered me to testify before this subcommittee today. I am eager to do so; while it is almost trite to observe that change is a constant in East Asia and the Pacific, at the moment we are seeing more of it than usual, in some of the region's most important nations and on some of its most important issues.

Before I address these issues, Mr. Chairman, let me add a short foreword. A little over a month ago, I pledged in my confirmation statement before your colleagues on the Senate side that I intended to consult frequently and regularly with the Congress on matters of U.S. policy in East Asia and the Pacific. My pledge was directed to both the Senate and the House of Representatives.

This is my first opportunity as Assistant Secretary for East Asian and Pacific Affairs to testify before the House, and it is wholly appropriate that it be before this distinguished subcommittee. Let me add that I had hoped to accomplish this earlier in my five-week tenure as Assistant Secretary. That I was unable to do so is not from want of opportunities offered by the subcommittee or, for that matter, from a strong desire on my part to accept them.

I spent most of the month of May in East Asia. Deputy Secretary Armitage and I were dispatched by the President to brief allies and others in the region on the President's concepts on transforming deterrence, including missile defense. I visited seven countries and used the opportunity of this mission to build associations with our colleagues in each country, men and women with whom we will work closely in the coming years, and to discuss a wide range of bilateral and regional issues with them.

After meetings in Singapore, I traveled to Beijing, both to articulate the logic of which the opportunities for missile defense are a part, and to listen carefully to Chinese perspectives on this subject. As in other capitals, I also had discussions on bilateral and regional issues with my Chinese hosts. From Beijing I traveled to Hanoi to participate in the Senior Officials Meeting (SOM) to prepare the way for the ASEAN Regional Forum Ministerial meetings in late July. The Hanoi visit was an especially useful opportunity to renew friendships and acquaintances with officials from many of the 23 countries participating in the SOM. I spent the last several days of a very busy month as I began it, in meetings about Korean Peninsula policies with our Japanese and Korean allies, the venue this time being the Trilateral Coordination and Oversight Group, which we call TCOG.

These personal relationships -- contacts and friendships re-established or forged anew -- will be invaluable as we craft and implement our policy in the region. The earlier they are established, in my view, the better. I have not yet completed this critical first round of introductory visits and will look for early opportunities to travel to the capitals in the region that I was unable to visit during this first trip.

Let me first offer you a broad look at the region, focused on general political, economic and security trends as we see them, our interests in the region and what we're doing to realize them. Having sketched out this "scen setter," we could move on to some specifics about our policy in China, including the cross-Strait relationship, Korea, and Indonesia. In keeping with my understanding of the subcommittee's interests on this particular occasion, I would like to focus on these areas today, possibly at the expense of offering you a more detailed overview in which every country in the region gets mentioned.

Regional Overview: Economic and Political

The overall picture of the Asia-Pacific region in 2001 is positive -- guardedly. I have to add the word "guardedly," because in a region as vast and diverse as East Asia and the Pacific, all trends could not possibly move in the same direction. There's a mixture -- some of what we see is quite positive, some less so. Interestingly enough, though, there is not much that we see developing irretrievably in a distinctly negative direction.

Much of what we are seeing today -- China's emergence as a regional and global power, Indonesia's ongoing efforts at democratic transformation, Japan's struggle with economic reform and the situation on the Korean Peninsula, to offer just a few examples -- are tales in the telling. I would add the caution that our ability to influence events in these four areas varies widely. We are, nevertheless, pro-active on all of them, working hard to encourage the most positive outcomes.

The region's economy is no exception to this pattern. There's plenty on the positive side of the ledger. The East Asia and Pacific region is a place of enormous economic opportunity. The United States has enormous trade and economic interests in the region. It is our second largest trading partner after NAFTA, with nearly \$500 billion in two-way trade -- over a third of U.S. total trade. Just to cite a local example, the Port of Baltimore handles over \$3 billion in two-way trade with East Asia every year, and about \$2.5 billion in trade with Japan and China alone. Local or national, these are big numbers, and they reflect the fact that East Asia and the Pacific now accounts for over a quarter of the world's gross domestic product.

The region hosts some of the fastest growing economies and best markets for American products. The United States is working closely with countries in the region who share our views on trade liberalization, such as Singapore, with whom we are engaged in negotiations for a free trade agreement (FTA). The region provides millions of jobs to American workers and billions of dollars of income to American investors, from large institutional investors to individual owners of mutual funds. In addition, the flow of U.S.-sourced direct investment is enormous and is

directly responsible for a large portion of our exports to the region. For example, in 1997, sales by U.S. affiliates in Japan were almost double export sales -- \$114 billion versus \$65 billion. Bearing in mind that Japan has been relatively inhospitable to U.S. direct investment, this is still a startling figure. There have been dramatic increases over recent years in U.S. investment in Japan.

But there is a less encouraging side of the ledger. While most countries in the region have recovered at least partially from the devastating 1997-98 financial crisis, unresolved problems remain. In some of the larger economies, bad debt and corporate restructuring remain as significant areas of concern, especially in Japan and Korea. So, too, is the restructuring of China's financial and state-owned enterprises. More work needs to be done throughout the region on structural reform to ensure that sustainable growth is achievable.

The recovery from the financial crisis of 1997 was largely driven by the phenomenal growth of the American economy. We kept our markets open for East Asian products. Unfortunately, Asian market liberalization was incomplete and we have more work ahead of us to encourage further reform. Trade is good for the U.S. economy and more access to Asian markets would assist U.S. exports. We intend to step up our efforts, through our trade compliance initiative approved by the Congress, to ensure that our trading partners comply with their international trade obligations to reduce and eliminate unfair obstacles to exports from the United States.

As growth slows in the United States, so it will in Asia as well. That makes it all the more essential that countries in the region accelerate the pace of reform this year. That said, the region is clearly and significantly better off today than we could have imagined only a couple of years ago. If governments rededicate themselves to their commitments to economic reform, the chances are reasonably good that we will be able to say the same thing two years from now.

On the political front, too, it is not hard to find the positive. The trends are clear: the development and consolidation of democratic governance, in South Korea, the Philippines, Taiwan, Mongolia, Thailand, and Indonesia is a profoundly important and positive trend. U.S. relations

with our five Asian allies, Japan, Korea, Australia, Thailand and the Philippines, are good. We also have excellent bilateral relations with Singapore.

We intend to nurture our key alliance relationships in the region and make them even better. These are countries which share with us certain basic beliefs in democratic governance, open markets, the rule of law, and human rights. Countries that share these beliefs tend to view the world around them and the events that fill it in similar ways.

Developing Regional Consciousness

The region is as diverse as it is vast. Technology and the communications revolution have given birth to a number of transnational interests among the Asia/Pacific states; yet its regional consciousness -- a collective sense of identification and of common cause -- remains relatively undeveloped and, far, far short of what Europe has achieved.

One consequence of this has been the absence of centripetal forces that Europe enjoys and that stem from the development of common strategic goals and objectives. I think over the longer term, more and more regional states will recognize and act on what they share in common, especially a lengthening tradition of democratic governance but also globalization, which increasingly will present the region with common challenges and opportunities.

The full effect of these trends is, for the most part, confined to the future, though perhaps not the very distant future. And, while we can be optimistic about the future, the present calls for a little more patience.

Today, the principal engines of regional coherence are multilateral organizations such as the Association of Southeast Asian Nations (ASEAN) and the Asia Pacific Economic Cooperation (APEC) forum. These, however, do not address security issues per se. Only recently, with the emergence of the ASEAN Regional Forum, called the "ARF," has there been much regional attention paid to multilateral security cooperation on transnational problems such as smuggling, the environment, piracy, and conflicting territorial claims such as those in the South China Sea. And ARF is a limited forum, though one worth U.S.

engagement and support. Progress both in deepening the debate on security issues and in sharpening its focus has been slow, but there has been progress.

The broader, regional political infrastructure that supports multilateral efforts to address these and other problems is undergoing profound change -- beyond the democratization process I mentioned a moment ago.

In Northeast Asia, four major powers intersect. Three of them -- China, Russia and Japan -- are experiencing significant economic and political change. At the very heart of this intersection of powers, on the Korean Peninsula, there is important work being led by our ally, the Republic of Korea, toward the possibility of a dramatic change in the status quo. And in Southeast Asia, Indonesia's struggle to develop a functional democracy has diverted its attention away from its traditional leadership role in ASEAN. ASEAN, an important pillar of regional stability over the past three decades, recently expanded its membership to include the states of Indo-China as well as Burma, and as such has suffered a lack of focus. There are also potential flash points in the South China Sea and in the Taiwan Strait.

U.S. Regional Presence

The U.S. presence, diplomatic and military, in the region provides a crucial element of stability in a region undergoing such profound and dynamic change. The region faces continuing challenges to its economic and political stability and remains a place in which armed conflict could occur with little warning.

The region's overall stability -- and our own national interests -- depend in great measure on our willingness and ability to maintain and apply successfully all dimensions of our regional presence. This allows us to play a key role as a regional balancer and security guarantor to allies. The United States is committed to continuing this role indefinitely. Overwhelmingly, the states of the region welcome and support our presence.

Today, in addition to 41 embassies and consulates from Sapporo in the north to Wellington in the south, the United States maintains about 100,000 forward-deployed military personnel in the region. Roughly half of these U.S. forces

are stationed in Japan, and close to 40% are stationed in the ROK.

The U.S.-Japan alliance is the linchpin of U.S. security strategy in Asia. Both nations have moved actively in recent years to update the framework and structure of joint cooperation and strengthen the bilateral relationship. Over the next few years we hope to build with Japan an enhanced strategic dialogue encompassing both economic and security issues, a dialogue built on the foundation of the wide range of beliefs and perspectives we share with Japan and which taps the full potential of our alliance relationship.

We look forward to working with Japan's new Prime Minister, Junichiro Koizumi, who will meet with President Bush on June 30 at Camp David. During his early spring campaign for the presidency of the Liberal Democratic Party, and since his election to that post and assumption of his duties as Prime Minister, Mr. Koizumi has placed considerable emphasis on reform, both economic and political.

A strong Japanese economy is critical to the regional and global economy, and we are prepared to do whatever we can to support Japan's reform efforts. We are especially encouraged by Mr. Koizumi's views on reforming and restructuring the economy, and we look forward to seeing details as they emerge. These, of course, are up to the Japanese government to develop, but they will have to be convincing to the markets and the Japanese people. As I noted a bit earlier, restructuring and cleaning up the banking sector in Japan will provide long term benefits -- not just to Japan but also to the global economy. Along with continued deregulation and restructuring, we think Japan's further opening to direct foreign investment will promote Japan's growth and strengthen our economic relationship. When Prime Minister Koizumi meets the President at Camp David June 30, the leaders will announce a new mechanism to promote mutual prosperity. It will provide a broad framework to more effectively address the key issues: regular high level review of important bilateral and multilateral issues, and new focus on Japan's financial sector, regulatory reform, openness to foreign investment, and on sectoral and trade issues.

We also place enormous value on our long and durable alliance relationship with the Republic of Korea, which I'll address in more detail in a moment.

This year marks the 100th year of the Australian federation and the 50th anniversary of the U.S. - Australian alliance. As such, this is an appropriate time to be reminded that Australians and Americans have fought side by side in every war this past century. We continue to work together to promote shared values and common interests and to coordinate closely on all regional security issues. President Bush will welcome Prime Minister Howard to Washington on September 10, 2001 in order to reaffirm the strength and vitality of the U.S. partnership with Australia.

More generally, enhanced relationships with friends and allies will strengthen our efforts to build stability not only in Northeast Asia, but also in Southeast Asia, where we will also continue to work closely with our allies Australia, Thailand and the Philippines, as well as with Singapore. Although not a treaty ally, we have a robust defense partnership with Singapore that facilitates our forward deployment and our overall strategy in the region. Southeast Asia is an area of growing economic and political importance, which has felt its share of the turbulence experienced by the region as a whole over the past few years.

Indonesia

Without question, the country that has experienced the greatest turbulence since the onset of the Asian financial crisis is Indonesia. Indonesia, the world's fourth largest country and still Southeast Asia's largest economy, will continue to confront a difficult political and economic transition in 2001 and beyond.

The United States' support for Indonesia's transition to democracy is unwavering. We hope to see Indonesia achieve a timely resolution of the political crisis, ideally in a way that promotes reconciliation and effective governance. Whatever the outcome, we are prepared to support any resolution that can be achieved through peaceful and constitutional means. It is difficult to exaggerate the importance for Indonesia's future of avoiding violence or incitements to violence.

Indonesia will remain a high priority for U.S. assistance programs. Our bilateral assistance is focused on the development of civil society and democratization, strengthening the rule of law, and civilian control over the military. We continue to work with locally-based NGOs on good governance, human rights, and conflict prevention and resolution. We also coordinate our aid with the international community to ensure the most leverage for our assistance. Indonesia's central government is in the process of devolving political and fiscal powers to the provinces. As devolution proceeds, we are shifting our police training programs, designed to teach human rights and non-violent crowd control techniques, to the provinces.

While Indonesia grapples with the profound complexities of creating a democracy, it is also engaged in transforming its economy and decentralizing political power. Each task by itself is daunting; together they guarantee that change will be incremental and complicated, with no simple blacks and whites. Indonesia is dealing with multiple crises: in its political leadership, its constitutional institutions, its budget, in civil society and rule of law, in seeking redress for violations of human rights, in the role of the military, and in basic questions of national identity.

We have urged all parties to the current crisis not to allow the political drama to distract the government from the necessity of addressing pressing economic issues which, if not dealt with now, will only present a greater threat to the government as it emerges from the crisis. In the face of political uncertainty and the lack of progress on economic reform, economic growth remains minimal. Rupiah depreciation and resulting higher interest rates further burden the nation.

Our engagement with Indonesia must be with a view to the long term. As outsiders, we can exert little influence over immediate events and daily crises. A reformed and accountable military is vital if Indonesia's democracy is to prosper in the long term. We will work to support those within and without the military who will work for reform. Both by legislative restriction and by policy, full military relations will not be possible until the Indonesian military makes substantial progress.

Our task, in dealing with the world's third largest democracy -- a nation of 210 million people spread across an archipelago comprising thousands of islands dotting vital sea lanes -- is to assist, to facilitate, and to provide support in these critical years as Indonesia works to establish the foundations for a lasting, democratic, and unitary nation with a transparent, market economy.

We want Indonesia to succeed, and we will do whatever we can to help it succeed.

Let me turn now to U.S.-China relations.

China

Our relationship with China is firmly grounded in pursuit of tangible U.S. national interests. We understand, and we believe China also understands, that our relationship will have a profound impact on the security of Asia. The United States seeks a constructive relationship with China that contributes to the promotion of our shared interests in peace, stability, and prosperity in the region.

Recent events have called into question where we stand in our relationship with China and where we want to go. They have highlighted the importance of not allowing our relationship to be damaged by miscommunication, mistrust, and misunderstanding about our respective intentions and objectives. We do not view China as an enemy. We view China as a partner on some issues and a competitor for influence in the region. The Secretary of State has been clear about our vision of this relationship, stating that "China is a competitor and a potential regional rival, but also a trading partner willing to cooperate in the areas, such as Korea, where our strategic interests overlap. China is all of these things, but China is not an enemy and our challenge is to keep it that way."

From promoting peace and stability on the Korean Peninsula to non-proliferation to trade, we share common interests with China that are best served by a productive - and forward-looking - relationship.

Clearly, we have some differences. Taiwan has long been one; human rights is another, particularly freedom of expression and freedom to express and practice one's

personal faith. Arms sales around the world and the proliferation of weapons of mass destruction are also important issues about which we have expressed concern to China.

We have been, and will continue to be, clear and straightforward with China about our interests, including our commitment to peaceful resolution of differences with Taiwan, to the Taiwan Relations Act, and to freedom of navigation in international waters and airspace.

We want to work both with the current leadership and with the coming generation of leaders in China. We will hold China to its bilateral and international commitments. If China chooses to disregard its international obligations in areas as diverse as security issues, human rights, nonproliferation or trade, we will use every means available to the Administration to persuade it to move in more constructive directions.

The cutting edge of reform and positive social development in China is our trade relationship. We do have a significant trade deficit with China. In 1999, the deficit was \$69 billion. In CY 2000, we exported \$16 billion to China, but China exported \$100 billion to the United States, leaving us with a net trade deficit with China of over \$84 billion.

Nevertheless, our trade with China and our investment there are, without any doubt at all, in our interest. The marketplace promotes American values; trade encourages more freedom and individual liberties. U.S. investment establishes higher standards of enterprise behavior - in regard to corporate governance, labor relations, or even environmental attention. You can see that happening today in China, where trade and investment have led to greater openness and fewer government controls on day-to-day life, particularly in the coastal region most affected by international trade and investment.

We therefore support China's WTO entry as soon as China is ready to meet WTO standards. Taiwan is ready for entry now, and we expect both to enter the WTO.

For the same reasons, we look forward to China's hosting of this year's APEC summit in October. The President has said that he plans to go to Shanghai and

Beijing in the fall. His presence at the APEC Leaders' Meeting will speak volumes about our commitment to market-oriented economic reform in China.

Beyond the Korean Peninsula, non-proliferation, and open markets, there are additional areas where we share interests with China and would like to see it continue or expand constructive policies. We want to build on cooperation against narcotics trafficking; China realizes that drugs are a threat to the Chinese people. We want to work with China to combat the spread of HIV/AIDS. And we will continue to work together where possible to protect the environment and promote sustainable development.

China is in a position to chart a mutually beneficial course for our future relationship. This Administration wants a productive relationship with Beijing that promotes our interests and those of the entire Asia-Pacific region. The ball is in the PRC's court. We encourage China to make responsible choices that reflect its stature in and obligations to the community of nations.

We will have to see how China deals with its own growth as a rising member of the community of nations and with the obligations and responsibilities that come with it. For our part, a productive relationship with China can only be based on a true reflection of our values, including human rights and religious freedom. These are our greatest strengths.

Turning to Taiwan, I think this Committee is quite familiar with our policy regarding cross-Straits issues. Let me say simply: the abiding interest of the United States is that differences be resolved peacefully. This interest lies behind the commitments undertaken in the three communiqués, and it is at the heart of the Taiwan Relations Act (TRA).

The PRC continues to deploy forces across the Taiwan Strait specifically aimed at Taiwan -- and at U.S. -- capabilities. Some have suggested that our commitment to assist Taiwan in maintaining a sufficient self-defense capability, as articulated in the TRA, is at odds with our commitments in the three communiqués. I disagree. The President disagrees. The defensive systems that we provide Taiwan do not make the peaceful resolution of cross-Straits differences more difficult. On the contrary, they make

such a resolution more likely. It is worth noting that Taiwan President Chen Shui-bian has repeatedly expressed his continuing commitment to cross-Strait dialogue in statements this Spring.

The central question is how cross-Strait relations can move from a focus on the military balance toward a focus on ways to begin resolving differences between Taipei and Beijing. It seems to me that the answer lies in three areas.

The first priority for the PRC and Taiwan ought to be the resumption of direct dialogue. Both have said they support such dialogue, and such dialogue between authorized representatives has taken place several times over the past decade, including the meeting in Singapore in 1993 and the meetings in Shanghai and Beijing in 1998. The United States does not have a formula for resolving cross-Strait differences, and we do not seek to play a role in this process. But we do have an abiding interest in seeing that the process is pursued only by peaceful means. The prospects are good for cross-Strait progress if the PRC has the political will to advance these important talks. The parties must be clear with regard to their actions in the area of the Strait to avoid any miscalculations -- that is a start. But we would like to see not just a start but real accomplishments in cross-Strait dialogue.

Even while progress on political dialogue seems stalled, economic relations across the Strait are growing exponentially. Taiwan businessmen have invested billions of dollars in the PRC. Annual cross-Strait trade is estimated to be approximately \$32 billion. There were over two million visits from Taiwan to the PRC last year. Thousands of Taiwan businessmen and their families live and work in the PRC. Revenues generated by these businesses are fueling the growth of a wide range of Taiwan businesses. Taiwan is also taking initial steps to open its market to businesses from the PRC. The entry of both the PRC and Taiwan into the WTO may well accelerate the economic cooperation between the two sides.

The third area I would highlight is what I would call mutual understanding. Both sides need to have a better understanding of the other side and what it seeks from a closer relationship. In particular, we have urged the PRC to shift from seeking to put pressure on -- even intimidate

-- Taiwan and instead *appeal* to the people of Taiwan. Beijing needs to explain to Taiwan the benefits of a closer relationship rather than the perils of a more distant one.

This is part of the challenge in working with a democracy. The PRC can not ignore the elected representatives of the people of Taiwan if cross-Strait dialogue is to resume and be revitalized. Instead, it must offer a case that is attractive to a democratically elected leadership.

A combination of political dialogue, economic cooperation and mutual understanding offers the prospect that both sides will find they have increased interests in common and therefore increasing reasons to find practical ways to resolve their differences.

A key provision of the Taiwan Relations Act (TRA), to which the United States remains committed, requires that the United States ensure that Taiwan has sufficient self-defense capability. We believe the TRA is working well.

Let me conclude with some remarks about the situation on the Korean Peninsula.

Korean Peninsula

The United States and the Republic of Korea enjoy a strong relationship across-the-board. This relationship has grown warmer as democracy has taken root in the ROK. Kim Dae-jung's push for further democratization has been a hallmark of his presidency. We strongly support this effort and believe President Kim's successes will strengthen stability and prosperity not only on the Korean Peninsula, but also throughout the region.

Our security alliance remains strong. President Kim's historic June 2000 summit with the North's Kim Jong Il raised the world's hopes that improved North-South relations could enhance the prospects for peace and stability on the Korean Peninsula. The DPRK nevertheless continues to pose a military threat to the South, and the United States remains committed to its treaty obligations to assist in the defense of the ROK.

President Kim has worked assiduously to strengthen the U.S.-ROK alliance through meetings with President Bush, members of Congress, and cabinet officials. He has made it clear both publicly and privately that a strong bilateral relationship will continue to be key to progress in North-South relations and the central element of ROK diplomatic and security strategy. President Kim has also stated that, should reconciliation on the Peninsula be realized, a U.S. military presence on the Peninsula would still be needed -- an idea he has underlined in his talks with Kim Jong Il in Pyongyang last summer.

Our economic relationship with the ROK also remains vital. Korea quickly pulled out of the financial crisis of 1997 with GDP growth reaching 10% in 1999 and 9.3% in 2000. However, this resumption of growth masks an insolvent financial sector and highly leveraged conglomerates, both of which could threaten Korean economic prospects, particularly as the economy slows to a projected 4 percent this year. During the past year, the ROK has moved slowly to act on President Kim's plans for corporate restructuring and financial sector reforms to ensure continued economic growth and stability. The challenge for the ROK government is to change its traditional interventionist policy and allow market discipline freer play. We are working with the ROK and with American industry to address specific trade issues with Korea, including trade in steel, beef, and automobiles, as well as broader issues related to the protection of U.S. intellectual property.

The Administration has just completed a thorough, deliberate review of our North Korea policy. The President has directed us to undertake serious discussions with North Korea on a broad agenda, including improved implementation of the Agreed Framework, a verifiable and to the DPRK's missile production and export programs, and a less threatening conventional military posture. We will thus be pursuing a comprehensive approach to North Korea.

If the DPRK takes positive actions to demonstrate the seriousness of its desire for improved relations, we will expand our efforts to help the North Korean people, ease sanctions, and take other political steps.

Several principles guided our thinking. First, as President Bush has made clear, we strongly support President Kim's reconciliation efforts with North Korea.

Tension on the Korean Peninsula is ultimately an issue for the Koreans themselves to resolve, and any U.S. - DPRK contacts should be supportive of and consonant with North-South rapprochement.

Second, we will continue to implement our commitments under the Agreed Framework while looking for ways to better achieve our non-proliferation objectives. We want to explore ways of improving implementation of the Agreed Framework, first with our allies and then with North Korea.

Third, our national security interests remain consistent: we want to see an end to the North's missile program and its proliferation activity. We also want to explore ways of reducing tensions on the Korean Peninsula caused by conventional deployments. We are now prepared to enter serious discussions with the North Koreans to achieve these ends.

Fourth, effective verification will be a prerequisite for any agreements with North Korea.

Finally, continued, close consultations among the United States, the ROK, and Japan are essential to maintaining a coordinated approach to North Korea. We have conducted two trilateral meetings with our allies this year, one, in Honolulu, just last week. The Trilateral Coordination and Oversight Group (TCOG) is designed to ensure that cooperation among the United States, Japan, and South Korea on Korean Peninsula issues functions as smoothly as possible.

In conclusion, Mr. Chairman, I have tried today to provide both a broad overview of the region and a more detailed perspective on the challenges and priorities we face in several key relationships there. Mr. Chairman, I would be pleased to address any issues you and the Members of the subcommittee might care to raise.

Let me also express my thanks once again to you and the subcommittee for the opportunity to testify today, and my strong interest in continued close cooperation with you, the subcommittee, and the full committee.